

Weinberger Kim

From: Detlev Gøj [gojd@ovamed.de]
Sent: Friday, September 01, 2006 3:28 AM
To: Liang Bertrand; Lobell, Jay; Weinberger Kim; Taffy, Frank; Barrett Emma; Moore Elizabeth; Leigh Bryan; Labarre Mike; Rosenwald, Lindsay; Alexander Beese
Subject: Re: Concerns

Dear Bert and Lindsay,

It was, is, and will be my pleasure to communicate directly with the team, but in this case there are concerns of such importance that I have to address them to the authorized person which, as stated in the contract under article 15, is the president of Collingwood once the company is established. Since Collingwood has not yet been established, the legitimate contact person is Lindsay unless he notifies me about the authorization of another person. Kim told me that she and her team is in charge of development and does not deal with other contractual issues.

I have expressed our concerns in an appropriate and business-like manner, and offered to come over and discuss the issues. In return, I received a comment that basically told me that this is none of my business. Perhaps I did not point out clearly enough what the situation means to Ovamed:

1. The attempt of Paramount/Collingwood to get /Trichuris suis/ eggs from sources other than Ovamed is regarded as a violation of the contract (which was entered under the laws of Germany) and is a breach of good faith according to Article 242 of the German civil code. Ovamed is the sole supplier of /Trichuris suis/ for Collingwood/Paramount and alternative sources may only be used under certain conditions, which are clearly described in the agreement. These conditions have not happened.

This breach gives us the right to terminate the agreement. Please be informed that should such a breach happen again, we will make use of this right without further notice and with immediate effect.

2. The invoice dated July 6, 2006 about the patent costs was sent according to the contract terms and was based upon *newly* submitted patent costs from the University of Iowa. The payment term was 2 weeks, and the receipt of the invoice was acknowledged on July 8, 2006 because it was sent by courier service. Six weeks later and only after asking about the status of the invoice (on August 17, 2006), we were informed that the invoice was forwarded to another person for evaluation. As much as we appreciate that there is finally communication about this invoice, it does not change the fact that this invoice is overdue. If payment deadlines are not met, this is also a reason for termination of the contract. Written notification about the delay in payment was given on August 17, 2006, and we expect a settlement by October 17, 2006. If this invoice is not settled by October 17, 2006, we will terminate the contract according to article 9.2 of the agreement.

3. Before we signed the contract, Paramount/Collingwood was given a copy of the

agreement between Ovamed and Falk, particularly because of the confidentiality clause regarding the exchange of data resulting from the joint efforts between Ovamed and Falk. Falk is still waiting for an agreement that will allow sharing of such data with Paramount/Collingwood. It was agreed at the three party meeting in Los Angeles during the DDW meeting in May that such a draft shall be submitted by Paramount/Collingwood within 2 weeks. Despite several reminders to complete such an agreement, it still has not happened after many months. More than that, we once again were told that this is none of our business. In consequence, please be informed that Ovamed will not provide any information about the joint development with Falk until such an agreement takes place. Ovamed cannot accept further demands to provide such information related to the Falk contract.

4. According to Article 3.1 of the sublicense agreement Paramount/Collingwood is committed to all reasonable efforts to bring the product to market. Such program shall include the preclinical and clinical development. So far there was only a one direction of flow of information and activity and that was from Ovamed to Paramount/Collingwood. In an e-mail dated August 19, 2006, Dr. Liang commented that Paramount/Collingwood has not received a written corrective action plan from Ovamed regarding actions to be taken in response to the EMEA review. In fact, such an action plan was submitted to Kim as an attachment to an e-mail dated on June 15, 2006. Following that plan, further activities will be decided during the next steering meeting with Falk on September 19, 2006. Yet, neither the first Paramount/Collingwood-initiated preclinical action (tox study) has started, nor has Collingwood been established during the last 10 months. We consider these delays by Paramount/Colligwood an unreasonable lack of effort. It is essential that Paramount/Collingwood participate in the steering meetings of the development and that confidential information be shared. This is not possible until there is an agreement with Falk in place.

Again, we did not join together for disputes and hope to bring the cooperation back into a good standing. With the above mentioned, I think we have now clearly made our points that do not require further discussions from our side.

With best regards

Detlev

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> ----- Ursprüngliche Nachricht
> -----
> Betreff: RE: Concerns
> Von: "Liang Bertrand" <BLiang@paramountbio.com
> <https://email.t-online.de/index.php?ctl=write_email&p%5BT0%5D=BLiang%
40paramountbio.com>>
> Datum: Di, 29.08.2006, 20:07
> An: "Detlev Goj" <gojd@ovamed.de
> <https://email.t-online.de/index.php?ctl=write_email&p%5BT0%5D=gojd%
40ovamed.de>>
> Cc: "Lobell, Jay" <JLobell@paramountbio.com
> <https://email.t-online.de/index.php?ctl=write_email&p%5BT0%5D=JLobell%
40paramountbio.com>>
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> "Weinberger Kim" <KWeinberger@paramountbio.com
> <https://email.t-online.de/index.php?ctl=write_email&p%5BT0%5D=KWeinberger%
40paramountbio.com>>
> "Taffy, Frank" <ftaffy@paramountbio.com
> <https://email.t-online.de/index.php?ctl=write_email&p%5BT0%5D=ftaffy%
40paramountbio.com>>
> "Barrett Emma" <EBarrett@paramountbio.com
> <https://email.t-online.de/index.php?ctl=write_email&p%5BT0%5D=EBarrett%
40paramountbio.com>>
> "Moore Elizabeth" <EMoore@paramountbio.com
> <https://email.t-online.de/index.php?ctl=write_email&p%5BT0%5D=EMoore%
40paramountbio.com>>
> "Leigh Bryan" <BLEigh@paramountbio.com
> <https://email.t-online.de/index.php?ctl=write_email&p%5BT0%5D=BLEigh%
40paramountbio.com>>
> "Labarre Mike" <MLaBarre@paramountbio.com
> <https://email.t-online.de/index.php?ctl=write_email&p%5BT0%5D=MLaBarr
e%40paramountbio.com>>
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> Dear Detlev:
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> Thank you for your email. I have referred your responses to the team,
> who have provided the responses via your last email. Perhaps the most
> prudent way to move this process forward is for you to directly
> communicate with the team who is working with the program within
> Paramount, rather than indirectly through Lindsay or myself. My
> strong suggestion is that you work with Kim Weinberger, who is the
> Team Leader for this project. I believe you have here contact
> information, but in case not, it is:
>
> Kim Weinberger
> kweinberger@paramountbio.com
> <https://email.t-online.de/index.php?ctl=write_email&p%5BT0%5D=kweinbe
> rger%40paramountbio.com>
> ph. +1-858-550-0780 x224
>
> Kind regards,
>
> Bert
>
> ph. 858.550.0780 x222
> bliang@paramountbio.com
> <https://email.t-online.de/index.php?ctl=write_email&p%5BT0%5D=bliang%
> 40paramountbio.com>
>
> -----Original Message-----
> From: Detlev Goj [mailto:gojd@ovamed.de]
> Sent: Monday, August 21, 2006 5:30 AM
> To: Liang Bertrand
> Cc: Rosenwald, Lindsay
> Subject: Concerns
>
> Dear Bert,
>
> thank you very much for your response dated August 19. Please find
> attached a word file formatted in different colors for an easy follow
> up

>
> on the comments. I marked the original text in brown color, your reply
> in blue and my new comments in green. We lined up for this exciting
> development as a team now and I hope that we can make it a success as
> a team.

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> Best regards

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> Detlev

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